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John E. Lertzman

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EXAMINER

GOLDMAN, MICHAEL H

ART UNIT

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3688

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**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

<b>Office Action Summary</b>	<b>Application No.</b> 10/612,518	<b>Applicant(s)</b> LERTZMAN ET AL.	
	<b>Examiner</b> MICHAEL H. GOLDMAN	<b>Art Unit</b> 3688	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 15 December 2008.
- 2a) ☐ This action is **FINAL**.                      2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1-21 and 38 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-21 and 38 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- |  |   |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892)                     | 4) <input type="checkbox"/> Interview Summary (PTO-413)           |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____                                      |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)          | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date _____  | 6) <input type="checkbox"/> Other: _____                          |

## **DETAILED ACTION**

### ***Response to Amendment***

1. This communication is a Non Final Office Action in response to the amendment received December 15, 2008. Claims 22-37 and 39-47 have been withdrawn. Claims 1 and 38 have been amended. Therefore, claims 1-21 and 38 are pending and are herein being addressed.

### ***Claim Rejections - 35 USC § 102***

#### **35 U.S.C. 101 reads as follows:**

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

2. Claim 1 and the dependent claims are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. Based on Supreme Court precedent, a method/process claim must (1) be tied to a particular machine or apparatus (see at least *Diamond v. Diehr*, 450 U.S. 175, 184 (1981); *Parker v. Flook*, 437 U.S. 584, 588 n.9 (1978); *Gottschalk v. Benson*, 409 U.S. 63, 70 (1972); *Cochrane v. Deener*, 94 U.S. 780, 787-88 (1876)) or (2) transform underlying subject matter (such as an article or materials) to a different state or thing (see at least *Gottschalk v. Benson*, 409 U.S. 63, 71 (1972)). A method/process claim that fails to meet one of the above requirements is not in compliance with the statutory requirements of 35 U.S.C. 101 for patent eligible subject matter. . Here the claims fails to meet the above requirements

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because the steps are neither tied to a particular machine or apparatus nor physically transform underlying subject matter (such as an article or materials) to a different state or thing.

Also see, United State Court of Appeals for the Federal Circuit, 2007-1130,

(Serial No. 08/833,892)

IN RE BERNARD L. BILSKI

and RAND A. WARSAW.

In claim 1, the steps of “receiving by a collaborative affinity marketing system...,” “assigning a participant ....,” “assigning a participant identification code...,” etc. should individually incorporate a particular machine (computer, apparatus or hardware per se); otherwise, it can be concluded, under a broad interpretation, that those steps were manually performed. Here, to be statutory, under USC 101, each individual significant step should incorporate or should be performed using a particular machine (computer, apparatus or hardware per se) or at least one significant step should be performed using a particular machine.

***Claim Rejections - 35 USC § 102***

3. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(a) the invention was known or used by others in this country, or patented or described in a printed publication in this or a foreign country, before the invention thereof by the applicant for a patent.

4. Claims 1- 8, 10-21, and 38 are rejected under 35 U.S.C. 102(e) as being anticipated by Burke, US20030083930.

Claim 1 and 38: Burke discloses a method and a *system* for collaborative affinity marketing including a processor, an aggregator, a participant and a merchant comprising:

*receiving by a collaborative affinity marketing system enrollment information from the plurality of aggregators, participant and merchant (see page 1, Para [0005] whereby an embodiment of the invention (collaborative affinity marketing system) involves a clearinghouse component (processor), a nonprofit component (aggregators), supporter component (participants) and a merchant component, also see page 4, Para [0016] whereby receiving via a central computer system enrollment information from (a plurality of) nonprofits, supporters and merchants accounts;*

*assigning a participant identification code to the participant wherein the participant identification code keeps identity of the participant anonymous (see page 2, [0020], lines 2-4 whereby the supporter (participant) is assigned an account number ID (identification code) via the CC, also see page 4 [0067] whereby system provides security for all participants, also see Para [0070], whereby a supporter can automatically*

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send a rebate to a nonprofit when they make purchases by *simply entering a system ID*, i.e. 'amount spent, location, time, date etc', (no requirement for personal information for rebate, hence anonymous via simply entering a system ID);

storing enrollment information of the plurality of aggregators, participant, and merchant (see Figure 1, Central Computer and Data Storage; also see page 1, [0016]);

selecting by the participant a selected aggregator from the plurality of aggregators (see page 4, [0064], lines 1-3 whereby the (affinity) system allows all consumers to participate in earning rebates for (selecting) their favorite nonprofits);

providing the participant identification code to the merchant, when the participant initiates a purchase transaction with the merchant (see page 4, Para [0070], whereby a supporter can automatically send a rebate to a nonprofit when they make purchases by *simply entering a system ID*);

storing *information about the* participant identification code and an amount for the purchase transaction by the merchant (see claim 1, lines 11-12 'having the entry terminal (merchant) record (store) the ID, as well as the amount of dollars spent in a transaction);

receiving the stored participant identification code, the amount for the purchase transaction, and (computes/collects) funds corresponding to a portion of the amount for the purchase transaction by the *processor* (see page 4, [0070], also see page 1, [0015] whereby in Fig 1, a system embodying a central computer system having a clearinghouse (processor) component, also see page 1, [0005] whereby the processor is a central component of the system connecting the other three components, hence the

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processor is always integral to every transaction thereby the processor inherently collect/computes a portion of each transaction); and

sending a portion of the funds received by the processor to the selected aggregator (see page 4, [0070], also see page 4, [0067], line 3 dispersing donations).

Claim 2: Burke discloses the invention as in claim 1 above, and further discloses the feature wherein the participant enrolls with the processor (see page 1, Para [0016], lines 1-3).

Claim 3: Burke discloses the invention as in claim 1 above, and further discloses the feature wherein the participant enrolls with the selected aggregator (see page 2, [0035]).

Claim 4: Burke discloses the invention as in claim 3 above, and further discloses the feature further comprising sending the participant identification code to the processor without disclosing the identity of the participant (see page 2, [0035] whereby the nonprofit provides participant with a TC (transaction card) , also see page 2, [0020], lines 8-9 whereby via participant TC at cash register(s) participant connect their ID and amount of their spending (using same method for transferring ID to processor as if they had enrolled via the processor, see page 2, Para [0021], also see page 4 [0067] whereby system provides security for all participants, also see Para [0070], whereby a supporter can automatically send a rebate to a nonprofit when they make purchases by

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*simply entering a system ID*, i.e. 'amount spent, location, time, date etc', (no requirement for personal information for rebate, hence anonymous via simply entering a system ID);).

Claim 5: Burke discloses the invention as in claim 1 above and further discloses the feature wherein the providing the participant identification code to the merchant comprises of presenting a participant card to the merchant (see page 4, Para [0070], line 4).

Claim 6: Burke discloses the invention as in claim 5, above and further discloses the feature wherein the participant card is one or more of a group of a bar coded card, a card with magnetic strip, a smart card and a radio frequency identification card (see Fig 2, Mag Stripe and Bar Code).

Claim 7: Burke discloses the invention as in claim 1 above, and further discloses the feature wherein the sending a portion of the funds received by the processor from the merchant to the selected aggregator (nonprofit component) comprise of providing a credit to the aggregator (see page 1, Para [0007], lines 5-7).

Claim 8: Burke discloses the invention as in claim 1 above, and further discloses the feature wherein the purchase transaction is an on-line transaction and the participant identification code is provided to the merchant electronically (see page 1,



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Para [0006], lines 7-9 whereby clerk (merchant) receives user/customer ID via barcode, mag stripe, key stroke or other (electronic) modality, also see Para [0017], lines 1-4 whereby the merchant terminal connects to the system/computer/CPU via communications system via satellites/cables (on-line transaction))

Claim 10: Burke discloses the invention as in claim 1 above, and further discloses the feature wherein the participant identification code is stored in a merchant sales tracking system as an item, when the participant initiates a purchase transaction (see page 1, Para [0007], lines 1-4 whereby one embodiment the entry terminal records the ID and the transaction data which is then stored (in merchant sales tracking system) as well as uploaded to the central clearinghouse component).

Claim 11: Burke discloses the invention as in claim 1 above, and further discloses the feature wherein the *selected* aggregator is one or more of the group [of] a non-for-profit organization, a marketer organization or a product distributor (see page 4, Para [0069], lines 4-7 whereby the invention offers multiple reward programs (non-profit aggregators)).

Claim 12: Burke discloses the invention as in claim 1 above, and further discloses the feature wherein the enrollment information of the plurality of aggregators, participant, and merchant are stored in a processor database (see page 1, Para [0016]

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lines 1-5 whereby the central computer system (processor database) enrolls nonprofits, supporters and merchant account and processes and updates accounts).

Claim 13: Burke discloses the invention as in claim 12 above, and further discloses the feature wherein the processor database is accessible via a processor website (see page 1, Para [0017], lines 1-12 whereby the CC is a system or computer contains a CPU and a large data storage and a communications systems accessible via the internet (website) or intranet networks in homes and businesses).

Claim 14: Burke discloses the invention as in claim 1 above, and further discloses the feature wherein the funds corresponding to a portion of the amount of purchase transaction are sent to the processor via electronic fund transfer (see page 4, Para [0061] whereby the CC computes the rebate and updates all accounts, also see Para [[0067], lines 4 whereby a bank based (electronic fund transfer) method of tracking and dispersing donations (portion of funds from merchant sent to processor, processor inherently collects its portion of each transaction or batch of transactions)).

Claim 15: Burke discloses the invention as in claim 1 above, and further discloses the feature wherein the portion of the funds received from the merchant are sent to the selected aggregator via electronic fund transfer (see page 4, Para [0061] whereby the CC computes the rebate and updates all accounts, also see Para [[0067],

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lines 4 whereby a bank based (electronic fund transfer) method of tracking and dispersing donations (portion of funds from merchant sent to aggregator)).

Claim 16: Burke discloses the invention as in claim 1 above and further discloses the feature comprising storing historical data for each of the processor, *selected* aggregator, participant and merchant (see page 4, Para [0067], lines 1-7 whereby an automatic and centrally coordinated data tracking system, an audible system (storage) for all participants (processor, aggregator, participant and merchant)).

Claim 17: Burke discloses the invention as in claim 1 above, and further discloses the feature further comprising *validating* the stored participant identification code, the amount of purchase transaction, and the funds corresponding to a portion of the amount of purchase transaction by the processor (see page 2, Para [0023], whereby the participant ID is validated via a secure personal identification number (PIN) and at the time of a store purchase information regarding the purchasing activity (amount of purchase transaction) is connected to the account number to form a data packet which is sent to the CC for processing and accounts management, also see [0061] whereby the CC computes the rebate and updates ALL (inherently includes processor portion) accounts).

Claim 18: Burke discloses the invention as in claim 17 above, and further discloses the feature wherein stored transaction data is for statistical and demographic

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analysis (see page 4, Para [0069], lines 3-9 whereby customer spending and loyalty behavior are recorded (stored) in order to provide sophisticated and robust reporting capability (statistical and demographic analysis).

Claim 19: Burke discloses the invention as in claim 1 above, and further discloses the feature comprising sending a report generated by the merchant to the processor (see page 2, Para [0022]).

Claim 20: Burke discloses the invention as in claim 1 above, and further discloses the feature comprising sending a report generated by the processor to the *selected* aggregator (see page 4, lines 1-6 whereby the components (nonprofit/aggregator as one of components) accepts and interfaces with multiple and diverse merchants to provide sophisticated reporting capability).

Claim 21: Burke discloses the invention as in claim 1 above and further discloses the feature comprising sending a report generated by the processor for the participant (see page 4, Para [0067] whereby a centrally coordinated data tracking system provides information for all participants).

### ***Claim Rejections - 35 USC § 103***

**5.** The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

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(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
  2. Ascertaining the differences between the prior art and the claims at issue.
  3. Resolving the level of ordinary skill in the pertinent art.
  4. Considering objective evidence present in the application indicating obviousness or nonobviousness.
- 
6. Claim 9 is rejected under 35 U.S.C. 103(a) as being unpatentable over Burke in view of Phillips et al. (7,398,248).

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Claim 9: Burke fails to disclose the feature wherein the providing the participant identification code to the merchant comprises of scanning a fingerprint or retina of the participant.

However, Phillips et al. discloses the method of providing the participant identification code to the merchant comprised of scanning a fingerprint or retina of the participant (see column 3, lines 20-24).

Both Burke and Phillips et al. disclose a method of confirming the identity of customers by biometric means in a retail environment with reward and rebate cards.

Therefore, it would have been obvious to one skilled in the art at the time of the invention to modify the Burke marketing method to include either a retinal scan or a fingerprint scan as taught by Phillips et al. in order to provide the security required to ensure improved automation and facilitation of a collaborative affinity marketing process.

### ***Response to Arguments***

7. The U.S.C. 101 rejection for Claim 38 is withdrawn based on arguments provided by the applicant.

8. Applicant's arguments filed December 15, 2008 have been fully considered but they are not persuasive.

Applicant argues with respect to claims 1 and 38 "...Burke does not teach teach...limitations ...of 'storing the enrollment information of the plurality of aggregators, the participant and the plurality of merchants in a database, wherein no merchant is yet

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selected by the participant,' 'providing the participant identification code to any of the plurality of merchants, when the participant initiates a purchase transaction with said any of the plurality of merchants, when the participant initiates a purchase transaction with said any of the plurality of merchants,' 'receiving...funds corresponding to a portion of the funds received by the processor to the aggregator.'

Examiner respectfully disagrees for reasons as follows:

-the claim amendment adds '...the plurality of merchants'...wherein no merchant is yet selected by the participant' is interpreted by the Examiner as a design preference, which does not receive any patentable weight;

-the claim element for 'receiving the stored participant identification code, the amount for the purchase transaction, and *funds corresponding to a portion of the amount for the purchase transaction by the processor...*'. See Burke Para [0007], lines 5-6 whereby the clearinghouse component reports all transaction data (examiner interprets as including any portions), further applicant argument that the Instant Application '..has the advantage of having the processor, which is an independent entity, receive and dispense funds, rather than depending on the merchant to do so.' is interpreted by the Examiner as a design preference, which does not receive any patentable weight. (see MPEP 2144.04(b) B. Duplication of Parts

In re Harza, 274 F.2d 669, 124 USPQ 378 (CCPA 1960) (Claims at issue were directed to a water-tight masonry structure wherein a water seal of flexible material fills the joints which form between adjacent pours of concrete. The claimed water seal has a "web" which lies in the joint, and a plurality of "ribs" projecting

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outwardly from each side of the web into one of the adjacent concrete slabs. The prior art disclosed a flexible water stop for preventing passage of water between masses of concrete in the shape of a plus sign (+). Although the reference did not disclose a plurality of ribs, the court held that mere duplication of parts has no patentable significance unless a new and unexpected result is produced.)

### ***Conclusion***

9. Any inquiry concerning this communication or earlier communications from the examiner should be directed to MICHAEL H. GOLDMAN whose telephone number is (571)270-5101. The examiner can normally be reached on Monday thru Thursday 6:00am-4:30pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Myhre can be reached on 571-272-6722. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.



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Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

mhg

February 25, 2009

/Jean Janvier/

Primary Examiner, Art Unit 3688